

Hall	Moore
Harrington	Patman
Harris	Ratliff
Hazlewood	Schwartz
Herring	Snelson
Hightower	Strong
Jordan	Watson
Kennard	Wilson
Mauzy	Word
McKool	

Co-Author of Senate Bill 39

On motion of Senator Hall and by unanimous consent Senator Herring will be shown as Co-author of S. B. No. 39.

Memorial Resolutions

S. R. No. 175—By Senator Watson: Memorial resolution for Mrs. Clyde Newton Cardwell.

S. R. No. 176—By Senator Watson: Memorial resolution for Edward W. Stratton.

S. R. No. 177—By Senator Watson: Memorial resolution for Roy H. Hill.

S. R. No. 178—By Senator Watson: Memorial resolution for D. T. Boyd.

Welcome and Congratulatory Resolutions

S. R. No. 171—By Senator Herring: Extending welcome to sponsors and students of Sixth Grade Class of Travis Heights Elementary School of Austin.

S. R. No. 172—By Senator Watson: Extending welcome to Dr. Dan McGee of Baylor University.

S. R. No. 173—By Senator Watson: Extending welcome to Dr. L. M. Morton of Killeen.

S. R. No. 174—By Senator Watson: Extending welcome to Captain Clint Peoples of Waco.

S. R. No. 179—By Senators Herring and Hall: Extending welcome to teacher and students of Manor Head Start Program.

Adjournment

On motion of Senator Hazlewood the Senate at 11:55 o'clock a.m. adjourned until 10:00 o'clock a.m. tomorrow.

TWENTY-SECOND DAY

(Thursday, February 20, 1969)

The Senate met at 10:00 o'clock a.m., pursuant to adjournment, and was called to order by the President.

The roll was called and the following Senators were present:

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Kennard
Bridges	Mauzy
Brooks	McKool
Christie	Moore
Cole	Patman
Creighton	Ratliff
Grover	Schwartz
Hall	Snelson
Harrington	Watson
Harris	Word

Absent—Excused

Connally	Wilson
Strong	

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

On motion of Senator Aikin, and by unanimous consent, the reading of the Journal of the proceedings of yesterday was dispensed with and the Journal was approved.

Leaves of Absence

Senator Strong was granted leave of absence for today on account of important business on motion of Senator Blanchard.

Senator Connally was granted leave of absence for today on account of important business on motion of Senator Blanchard.

Senator Wilson was granted leave of absence for today on account of important business on motion of Senator Blanchard.

Senate Resolution 180

Senator Creighton offered the following resolution:

Whereas, Friday, February 21 is the birthday of the honorable Senator from the great city of Houston, Senator Barbara Jordan; and

Whereas, It is the sincere desire of the Members of the Senate of the

61st Legislature to express our greetings and felicitations to Senator Jordan, and to take this means of wishing her a very happy birthday, and our hope that she will celebrate many returns of the day; and

Whereas, A recent news release reported that the newly renovated Senate Members Lounge bears the sign "Men Only," therefore barring Senator Jordan from entry; now, therefore, be it

Resolved, That the "Men Only" rule in the Senate Members Lounge be temporarily suspended, and that the Sergeant-at-Arms be instructed to remove the "Men Only" sign from the outer door on the day of February 21, 1969, in honor of Senator Jordan's birthday; and be it further.

Resolved, That the Senate of the State of Texas, by this Resolution, express appreciation and admiration for the life and service of our esteemed colleague, Senator Barbara Jordan, and wish her a long life of health and happiness.

CREIGHTON
MAUZY
KENNARD

Signed—Lieutenant Governor Ben Barnes; Aikin, Bates, Bernal, Berry, Blanchard, Bridges, Brooks, Christie, Cole, Connally, Grover, Hall, Harrington, Harris, Hazlewood, Herring, Hightower, Jordan, McKool, Moore, Patman, Ratliff, Schwartz, Snelson, Strong, Watson, Wilson and Word.

The resolution was read.

On motion of Senator Herring, and by unanimous consent, the names of the Lieutenant Governor and Senators were added to the resolution as signers thereof.

On motion of Senator Mauzy and by unanimous consent, his secretary, Mrs. Claire Koriath, was granted privileges of the floor, and she presented Senator Jordan a bouquet of spring flowers as a gift from the Members of the Senate.

The Members of the Senate then gave Senator Jordan a standing ovation.

(The President Pro Tempore in Chair.)

On motion of Senator Creighton, and by unanimous consent, the resolution was considered immediately and was adopted.

Committee to Escort Governor Smith to Joint Session

The President announced the following as a Committee to escort Governor Smith to the Joint Session pursuant to the provisions of H. C. R. No. 32:

Senators McKool, Word, Aikin, Bridges and Watson.

Bill and Resolution Signed

The President Pro Tempore announced the signing by the President in the presence of the Senate after the caption had been read, the following enrolled bill and resolution:

S. B. No. 67, A bill to be entitled "An Act relating to the apportionment and number of trustees of certain junior college districts; amending Section 3, and repealing Subsection (2), Section 2, of Chapter 3, Acts of the 59th Legislature, Regular Session, 1965 (Article 2815n-1, Vernon's Texas Civil Statutes); and declaring an emergency."

S. C. R. No. 16, Memorial resolution for Arthur DeWitty.

Senate Resolution 183

Senator Snelson offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, That the President of the Senate designate a member of the Senate of Texas to read The Declaration of Independence adopted by "The Great Convention" at Washington-on-the-Brazos on March 2, 1836, at an appropriate time during the Session of the Senate on Thursday, February 27, 1969.

The resolution was read and was adopted.

Reports of Standing Committees

Senator Brooks submitted the following report:

Austin, Texas,
February 19, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Departments and Institutions, to which was referred S. B. No. 238, have had the same under consideration, and we are instructed to report it back to the Senate with the recom-

mendation that it do pass and be printed.

BROOKS, Chairman

Senator Ratliff submitted the following report:

Austin, Texas,
February 20, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Oil and Gas, to which was referred S. B. No. 158, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass, as amended, and be printed.

RATLIFF, Chairman

Senator Hazlewood submitted the following report:

Austin, Texas,
February 20, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on Finance, to which was referred S. B. No. 220, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do pass and be printed.

HAZLEWOOD, Chairman

Senator Hall submitted the following reports:

Austin, Texas,
February 20, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on County, District and Urban Affairs, to which was referred S. B. No. 19, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass, and be printed.

HALL, Chairman

Austin, Texas,
February 20, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on County, District and Urban Affairs, to which was referred S. B. No. 89, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass, and be printed.

HALL, Chairman

Senator Moore submitted the following report:

Austin, Texas,
February 19, 1969.

Hon. Ben Barnes, President of the Senate.

Sir: We, your Committee on State Affairs, to which was referred S. B. No. 110, have had the same under consideration, and I am instructed to report it back to the Senate with the recommendation that it do not pass, but that the Committee Substitute adopted in lieu thereof do pass and be printed.

MOORE, Chairman

C. S. S. B. No. 110 was read the first time.

Senate Bills on First Reading

The following bills were introduced, read first time and referred to the Committee indicated:

By Senators Kennard and Brooks:

S. B. No. 262, A bill to be entitled "An Act establishing the Legislative Information and Modernization Committee; delineating its powers and duties; and declaring an emergency."

To the Committee on State Departments and Institutions.

By Senators Kennard and Brooks:

S. B. No. 263, A bill to be entitled "An Act creating the legislative reference library, to be operated and administered by the legislative library board, transferring responsibility now imposed on the legislative reference section of the state library to the legislative reference library; transferring the money appropriated to the library and historical commission for operation of the legislative reference section of the state library to the legislative library board; authorizing the board to make rules and regulations for operation of the library; amending Sections 2 and 3, Chapter 438, Acts of the 58th Legislature, 1963 (Article 5442a, Vernon's Texas Civil Statutes), and Article 5442, Revised Civil Statutes of Texas, 1925, to provide for distribution of certain state documents by the library; amending Section 19a, Chapter 514, Acts of the 54th Legislature, 1955 (Article 678m, Vernon's Texas Civil Statutes), to provide for the location of the library; repealing Article 5444, Re-

vised Civil Statutes of Texas, 1925; and declaring an emergency."

To the Committee on State Departments and Institutions.

By Senators Schwartz and Snelson:

S. B. No. 264, A bill to be entitled "An Act amending Subdivision 1, Section 37, Texas Election Code, as amended (Subdivision 1, Article 5.05, Vernon's Texas Election Code), relating to persons permitted to vote absentee; and declaring an emergency."

To the Committee on Privileges and Elections.

By Senator Word:

S. B. No. 266, A bill to be entitled "An Act amending Acts 1925, 39th Legislature, Chapter 25, authorizing water control and improvement districts containing any city to annex territory heretofore or hereafter annexed to such city where the district provides water or sewer services to such city or its inhabitants thereof, providing the procedure for such annexation, and providing for the assumption by such territory of the tax supported bonds then outstanding and theretofore voted but not sold and the levy of a tax for the payment thereof by an election called and held in the same manner as elections for the issuance of bonds, providing other matters in the premises and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Schwartz:

S. B. No. 267, A bill to be entitled "An Act authorizing the Texas Board of Corrections to convey fee simple title to the surface estate in certain state-owned land held for the use of the State Department of Corrections to certain parties in exchange for certain other land of equal acreage; and declaring an emergency."

To the Committee on State Affairs.

By Senator Cole:

S. B. No. 268, A bill to be entitled "An Act amending Article 1430, Penal Code of Texas, 1925, relating to the receiving of stolen property; and declaring an emergency."

To the Committee on Jurisprudence.

By Senators Brooks, Cole and Bates:

S. B. No. 269, A bill to be entitled

"An Act relating to the creation of the Commission on Fire Protection Personnel Standards and Education and its powers and duties; and declaring an emergency."

To the Committee on State Affairs.

By Senators Harrington and Christie:

S. B. No. 270, A bill to be entitled "An Act providing that in all counties having a population of not more than 100,000 inhabitants, according to the last preceding federal census, every owner of any tract of land situated outside the corporate limits of any city in the State of Texas is prohibited from dividing the same in two or more parts for the purpose of laying out any subdivision of any such tract of land, or an addition outside the corporate limits of any town or city, or for laying out streets, alleys or parks, or other portions intended for public use, or the use of purchasers or owners of lots fronting thereon or adjacent thereto, without first causing a plat to be made thereof and filed for record and be recorded in the office of county clerk of the county in which the land lies, all in compliance with the provisions of Chapter 436, Acts of the 55th Legislature, Regular Session, 1957 (Article 6626a, Vernon's Texas Civil Statutes); making other provisions relating thereto; authorizing the commissioners court to refuse to approve maps and plats which do not meet the prescribed requirements and to enjoin any violation of the provision of this Act or the violation of any provision of Chapter 436, Acts of the 55th Legislature, Regular Session, 1957 (Article 6626a, Vernon's Texas Civil Statutes); providing a severability clause; and declaring an emergency."

To the Committee on County, District and Urban Affairs.

By Senator Jordan:

S. B. No. 271, A bill to be entitled "An Act amending Chapter 520, Acts of the Fifty-first Legislature, Regular Session, 1949, as amended, (compiled as Vernon's Revised Civil Statutes of Texas, Article 1970-110a); repealing Section 1 of Chapter 712 of the Acts of the Sixtieth Legislature, Regular Session, 1967, (compiled as Vernon's Revised Civil Statutes of Texas, Article 1970-110a .1.); repealing all laws or parts of laws in conflict with the provisions of this Act; declaring the

provisions of this Act to be severable; enacting other provisions relating to the subject, and declaring an emergency."

To the Committee on Legislative, Congressional and Judicial Districts.

By Senator Jordan:

S. B. No. 272, A bill to be entitled "An Act amending Chapter 55, Acts of the Fifty-fourth Legislature, Regular Session (compiled as Chapter 6, Part 3, Section 137 of the Probate Code, Vernon's Civil Statutes of the State of Texas) amending sub-section (c) of Section 137 of the Probate Code whereby the exemption of such section is changed from One Thousand Dollars to Two Thousand Five Hundred Dollars, and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Jordan:

S. B. No. 273, A bill to be entitled "An Act amending Section 79 of the Probate Code clarifying the effect of divorce upon the surviving spouse and declaring an emergency."

To the Committee on Jurisprudence.

By Senator Jordan:

S. B. No. 274, A bill to be entitled "An Act amending subsections a and b of Section 144 of the Probate Code increasing the maximum from \$500 to \$1,500 on moneys paid the County Clerk for withdrawal by the creditor minor on a small estate, and providing a procedure for the accounting of any increase and reporting of the status of such investments, and declaring an emergency."

To the Committee on Jurisprudence.

House Bill on First Reading

The following bill, received from the House, was read the first time and referred to the Committee indicated:

H. B. No. 54, To Committee on State Affairs.

Senate Concurrent Resolution 20

Senator Harris offered the following resolution:

S. C. R. No. 20, Granting James L. Menefee permission to sue the State of Texas.

Whereas, James L. Menefee alleges that he has been a student at North Texas State University; and

Whereas, James L. Menefee alleges that he has been required to pay non-resident student tuition fees; and

Whereas, James L. Menefee alleges that he has been a resident of Texas during all or part of the period of enrollment at North Texas State University; and

Whereas, James L. Menefee alleges that North Texas State University through its agents and employees wrongfully refused to classify him as a resident student, wrongfully required him to pay nonresident student tuition, and wrongfully refused to refund the nonresident tuition paid by James L. Menefee; now, therefore, be it

Resolved by the Senate of Texas, the House of Representatives concurring, That

(1) James L. Menefee is granted permission to sue the State of Texas and North Texas University in any court of competent jurisdiction for any relief to which he may be entitled under law arising from the alleged wrongful acts alleged in this Resolution; and

(2) in the event suit is filed, service of citation and other required process shall be made upon the Attorney General of the State of Texas and upon the President of North Texas State University; and

(3) the suit shall be conducted as in other civil cases; and, be it further

Resolved, That nothing in this Resolution may be construed as an admission by the State of Texas, or by any of its employees, agents, departments, agencies, or political subdivisions, of liability or of the truth of any allegation asserted by the claimant, but the cause of action must be proved under the laws of this state as in other cases; and, be it further

Resolved, That nothing in this Resolution may be construed as a waiver of any defense, of law or fact, available to the State of Texas, or to any of its employees, agents, departments, agencies, or political subdivisions, but every defense is specifically reserved.

The resolution was read and was referred to the Committee on Jurisprudence.

Citizens Advisory Committee to Committee on Youth Affairs

The President Pro Tempore announced the appointment by the President pursuant to the provisions of

S. R. No. 101 and S. R. No. 166 of the following as a Citizens Advisory Committee to Youth Affairs Committee to investigate and develop a responsive rehabilitation program for the youth of our State:

Judge Scott Moore, Fort Worth, Texas; Mr. Luster Gollaher, Dallas, Texas; Mr. Larry Fultz, Houston, Texas; Mr. Raoul Garcia, Alice, Texas; Dr. Robert Deter, El Paso, Texas; Mr. Andrew Jefferson, Houston, Texas; Judge Arthur Tipps, Wichita Falls, Texas; Dr. Robert Rynearson, Temple, Texas; Judge Truman Roberts, Hamilton, Texas.

Senate Resolution 184

Senator Hightower offered the following resolution:

Whereas, The Senate wishes to express regret in the loss of Lehman E. Marks, one of its most faithful and valued employees, one who has been serving in the Senate for some three years and during which time, he has been occupied in the capacity of supervisor of Assistant Sergeant-at-Arms, Supervisor of Pages, Director of Tour Guides and at the present time, he is the First Assistant to the Sergeant-at-Arms, and he is responsible for instigating the Sergeant-at-Arms Bill Analysis Program; and

Whereas, This energetic young man plans to begin a new career in the Service of his Country, as he has been selected to attend Officers Candidate School of the Texas Air National Guard; and

Whereas, Lehman E. Marks was born in Baton Rouge, Louisiana, on October 11, 1943, and has resided in Houston, Texas, since the age of four years with his parents, Mr. and Mrs. Max L. Marks, 3001 Albans Road; and

Whereas, He is a graduate of Tulane University and the University of Texas School of Law where he received his Doctorate of Jurisprudence; he is married to Joy Marks who teaches at Govalle Elementary School and he is a member of Hyde Park Baptist Church where he teaches Sunday School; now, therefore, be it

Resolved, That the Members of the Texas Senate express their appreciation to Lehman E. Marks for his service to the Senate and wish him success in every future endeavor; and, be it further

Resolved, That a copy of this Res-

olution be prepared under the Seal of the Senate and presented to Lehman E. Marks as a token of our esteem.

HIGHTOWER

Signed—Lieutenant Governor Ben Barnes; Aikin, Bates, Bernal, Berry, Blanchard, Bridges, Brooks, Christie, Cole, Connally, Creighton, Grover, Hall, Harrington, Harris, Hazlewood, Herring, Jordan, Kennard, Mauzy, McKool, Moore, Patman, Ratliff, Schwartz, Snelson, Strong, Watson, Wilson, Word.

The resolution was read.

On motion of Senator Herring, and by unanimous consent, the names of the Lieutenant Governor and Senators were added to the resolution as signers thereof.

On motion of Senator Hightower, and by unanimous consent, the resolution was considered immediately and was adopted.

Senate Bill 23 on Second Reading

Senator McKool moved that Senate Rules 110, 13, and 36 and Section 5 of Article III of the State Constitution be suspended and that S. B. No. 23 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—25

Aikin	Hazlewood
Bates	Hightower
Bernal	Jordan
Berry	Kennard
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Creighton	Schwartz
Hall	Snelson
Harrington	Word
Harris	

Nays—3

Grover	Watson
Herring	

Absent—Excused

Connally	Wilson
Strong	

The President Pro Tempore laid before the Senate on its second reading and passage to engrossment:

S. B. No. 23, A bill to be entitled "An Act relating to the commissioners court providing office space and office equipment for Members of the legislature; and declaring an emergency."

The bill was read second time and was passed to engrossment.

Record of Votes

Senators Herring and Grover asked to be shown as voting "Nay" on the passage of the bill to engrossment.

Senate Bill 23 on Third Reading

Senator McKool moved that Senate Rule 30 and the Constitutional Rule requiring bills to be read on three several days be suspended and that S. B. No. 23 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—25

Aikin	Hazlewood
Bates	Hightower
Bernal	Jordan
Berry	Kennard
Blanchard	Mauzy
Bridges	McKool
Brooks	Moore
Christie	Patman
Cole	Ratliff
Creighton	Schwartz
Hall	Snelson
Harrington	Word
Harris	

Nays—3

Grover	Watson
Herring	

Absent—Excused

Connally	Wilson
Strong	

The President Pro Tempore then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—24

Aikin	Brooks
Bates	Christie
Bernal	Cole
Berry	Creighton
Blanchard	Hall
Bridges	Harrington

Harris	McKool
Hazlewood	Moore
Hightower	Ratliff
Jordan	Schwartz
Kennard	Snelson
Mauzy	Word

Nays—4

Grover	Patman
Herring	Watson

Absent—Excused

Connally	Wilson
Strong	

Senate Bill 39 on Second Reading

Senator Hall moved that Senate Rules 110, 13, and 36 and Section 5 of Article III of the State Constitution be suspended and that S. B. No. 39 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—26

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Kennard
Bridges	Mauzy
Brooks	McKool
Cole	Moore
Creighton	Patman
Grover	Ratliff
Hall	Schwartz
Harrington	Watson
Harris	Word

Nays—2

Christie	Snelson
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Absent—Excused

Connally	Wilson
Strong	

The President Pro Tempore laid before the Senate on its second reading and passage to engrossment:

S. B. No. 39, A bill to be entitled "An Act relating to exempting from taxation property owned by a non-profit corporation providing certain nursing care and certain housing for the low-income elderly, and involved in various research programs for the elderly; amending Article 7150, Revised Civil Statutes of Texas, 1925, as amended, by adding a Section 23; pro-

viding for severability; and declaring an emergency."

The bill was read second time.

Senator Herring offered the following amendment to the bill:

Amend S. B. No. 39 by striking out Section 1 and substituting in lieu thereof the following:

"Section 1. Article 7150, Revised Civil Statutes of Texas, 1952, as amended, is amended by adding a Section 23 to read as follows:

"23. All real and personal property, used for nursing care operations or housing for the low-income elderly, owned by a nonprofit corporation (as defined in the Texas Non-Profit Corporation Act) providing nursing care, as licensed by the State Department of Health, and providing housing for the low-income elderly, if tax exemption or abatement is a condition for a federally guaranteed construction loan and if the facility

"(1) operates at least 100 licensed nursing home beds and at least 250 housing units for low-income elderly; and

"(2) is designed for, necessitated by and is involved in geriatric research programs in the areas of chronic care, paramedical personnel training, nutritional development, and programs of psychological and nutritional research for the elderly and limited to such purpose."

The amendment was read and was adopted.

On motion of Senator Hall and by unanimous consent, the caption was amended to conform to the body of the bill as amended.

The bill as amended was passed to engrossment.

Senate Bill 39 on Third Reading

Senator Hall moved that Senate Rule 30 and the constitutional rule requiring bills to be read on three several days be suspended and that S. B. No. 39 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Kennard
Bridges	Mauzy
Brooks	McKool
Christie	Moore
Cole	Patman
Creighton	Ratliff
Grover	Schwartz
Hall	Snelson
Harrington	Watson
Harris	Word

Absent—Excused

Connally	Wilson
Strong	

The President Pro Tempore then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed by the following vote:

Yeas—27

Aikin	Herring
Bates	Hightower
Bernal	Jordan
Berry	Kennard
Bridges	Mauzy
Brooks	McKool
Christie	Moore
Cole	Patman
Creighton	Ratliff
Grover	Schwartz
Hall	Snelson
Harrington	Watson
Harris	Word
Hazlewood	

Nays— 1

Blanchard

Absent—Excused

Connally	Wilson
Strong	

Senate Bill 73 on Second Reading

Senator Word moved that Senate Rules 110, 13 and 36 and Section 5 of Article III of the State Constitution be suspended and that S. B. No. 73 be taken up for consideration at this time.

The motion prevailed by the following vote:

Yeas—28

Bates	Aikin
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Bernal	Herring
Berry	Hightower
Blanchard	Jordan
Bridges	Kennard
Brooks	Mauzy
Christie	McKool
Cole	Moore
Creighton	Patman
Grover	Ratliff
Hall	Schwartz
Harrington	Snelson
Harris	Watson
Hazlewood	Word

Absent—Excused

Connally	Wilson
Strong	

The President Pro Tempore laid before the Senate on its second reading and passage to engrossment:

S. B. No. 73, A bill to be entitled "An Act amending subsection (6) of Section 3, of Chapter 154, Acts of the Fifty-second Legislature, Regular Session, 1951 (codified as Article 4590e, Vernon's Texas Civil Statutes, known as the Healing Art Identification Act), as amended, to provide the identification which shall be used by persons licensed to practice the healing art by the State Board of Podiatry Examiners, etc.; and declaring an emergency."

The bill was read second time and was passed to engrossment.

Senate Bill 73 on Third Reading

Senator Word moved that Senate Rule 30 and the constitutional rule requiring bills to be read on three several days be suspended and that S. B. No. 73 be placed on its third reading and final passage.

The motion prevailed by the following vote:

Yeas—28

Aikin	Hazlewood
Bates	Herring
Bernal	Hightower
Berry	Jordan
Blanchard	Kennard
Bridges	Mauzy
Brooks	McKool
Christie	Moore
Cole	Patman
Creighton	Ratliff
Grover	Schwartz
Hall	Snelson
Harrington	Watson
Harris	Word

Absent—Excused

Connally	Wilson
Strong	

The President Pro Tempore then laid the bill before the Senate on its third reading and final passage.

The bill was read third time and was passed.

Motion to Adjourn

Senator Aikin moved that the Senate stand adjourned until 11:00 o'clock a.m. on Monday, February 24, 1969, subject to the Joint Session to be held today to hear the address of Governor Preston Smith.

Joint Session

(To hear address of Governor Preston Smith)

The President of the Senate and the Senators present escorted by the Sergeant-at-Arms and the Secretary of the Senate proceeded to the Hall of the House of Representatives at 11:00 o'clock a.m. to hear the address of the Honorable Preston Smith, Governor of Texas, pursuant to the provisions of H. C. R. No. 32.

The Senators were announced and were admitted and escorted to seats prepared for them along the aisle.

The President on invitation of the Speaker, occupied a seat on the Speaker's Platform.

The President called the Senate to order and announced a quorum of the Senate present.

The Honorable Gus Mutscher, Speaker of the House of Representatives, called the House to order, stated the purpose of the Joint Session and announced a quorum of the House present.

The Honorable Preston Smith, Governor of the State of Texas, was announced by the Doorkeeper of the House.

The Governor's party was escorted to the Speaker's Rostrum by Senators McKool, Word, Aikin, Bridges and Watson on the part of the Senate, and Representatives Atwell, Baker, Burnett, Calhoun, Harding, Haynes, Heatly, Hendricks, Howard, Kilpat-

rick, Nugent of Kerr, Price, Semos and Slack, on the part of the House.

The Speaker, the Honorable Gus Mutscher presented His Excellency, the Honorable Preston Smith, Governor of Texas, to the Joint Session.

Governor Smith then addressed the Joint Session as follows:

"Mr. Speaker of the House . . . Mr. President of the Senate . . . Members of the 61st Legislature . . . Ladies and Gentlemen:

"Section 9, Article 4 of the Texas Constitution calls upon the Governor to recommend 'expedient measures' and present estimates of the amount of money to be raised by taxation.

"The Legislative Budget Board has recommended appropriations from the general revenue fund for the 1970-71 biennium of \$1.1 billion.

"I now recommend appropriations of \$318 million above that figure.

"I propose to obtain these funds from a package which includes: (1) a tax program to yield \$148.8 million; (2) the so-called 'Cavness plan' which would provide an estimated \$71.6 million; (3) approximately \$41.1 million in new fees and fines, and (4) from the comptroller's estimate of \$58.5 million which was not obligated by the Legislative Budget Board recommendations.

"In case some of you may have missed it, that spending increase was \$318 million, and the tax estimate was \$148.8 million.

"Now that we have hit the cold water and, I trust, I have obtained your attention let's explore a few of the details.

"It has been almost four weeks since I delivered the opening legislative message of this administration.

"These early days of the session have been eventful, and I commend highly each of you upon a good beginning.

"Lieutenant Governor Barnes and Speaker Mutscher have made outstanding committee appointments.

"It is my understanding that some 450 bills, many embracing legislation proposed in my first message, already have been introduced. It is personally gratifying that you are considering some of my suggestions.

"After examining my budget and tax message today, some will say I should have recommended more. Others will say less. The budget I

am proposing is a balanced budget in dollars and cents.

"As everyone in this legislative chamber realizes full well, it is impossible to lay out a taxing and spending program that will make everybody happy.

"We know that there never can be a budget complete to the dollar which each agency feels it must have. Requests for general revenue and related funds total nearly \$2 billion for the 1970-71 biennium. Even with the increases I am proposing, my recommendations for those purposes fall \$600 million short of the total request.

"Our opportunities for spending are many, but today I propose to deal only in those areas where I feel that our spending needs are most critical and with which I feel the most personal concern.

"As we address ourselves to spending and taxing, we need to be open-minded, sensitive to the needs of our fellow Texans, and, above all, realistic about solutions to our problems.

"We must, and we shall, make the breakthroughs from old habits and old traditions to provide what is needed.

"John Gardner put it this way: 'While we pursue old feuds and shiver before old ghosts, new and terrifying troubles await us—and we cannot face those new troubles with any clarity of mind or unity of purpose while we are caught in old definitions of the problem.'

"We must lay to rest old feuds, frighten away ghosts of Legislatures past and find new definitions.

"We must listen to the people, and we must understand their needs. When we fail to heed the voice of the people, our path too often is dictated by the strident shouts of bureaucracy.

"And we must have the courage to do our duty.

* * *

"Now, let us turn to some specifics. The bulk of new spending I am recommending to you lies in the area of public education—particularly in salary raises for teachers which were not included in the LBB bill.

"I am placing special emphasis on technical-vocational training.

"Almost 90 per cent of additional expenditures being recommended is for education.

"The LBB budget was an excellent basic document. It was the product of hard work by dedicated people.

It was compiled while I still served as LBB chairman, and I am thoroughly familiar with it.

"There are, however, some areas which the LBB did not cover, and it could not anticipate additional funds which might be necessary to finance new legislative proposals.

"It does, however, contain an overall increase in general revenue and related funds of \$210 million from the spending level of the immediately previous budget.

"Comprehensive hearings have been held by both House and Senate committees. I know they will have significant suggestions, to which I hope you will add mine.

VOCATIONAL-TECHNICAL EDUCATION

"Late in last year's campaign, a newspaper reporter in San Antonio asked this question: 'What is the one thing for which you would most like to be remembered if you become governor?'

"My answer was then, and still is, that I would like to be remembered as the governor who worked to provide a great program of vocational and technical education available to all of our people.

"How future historians word their sentences about the Smith administration is not important, except to me.

"What is important is the environment and home life of the students who will read those history books. They should be properly housed and clothed, have good food on the table and, from the top to the bottom of the economic strata, they should be afforded equal opportunities to learn so they can earn the basic necessities of life.

"They must come from homes where parents have pride gained from the ability to make one's own way.

"Welfare lines in this State must be replaced with lines into the classroom where skills commensurate with native talent can be fully developed.

"In short, we must provide the proper training to have useful, productive and happy citizens—be they black, brown or white of skin.

"And, in addition to doing what is right and proper, we will create supplies of trained manpower which will bring new business to Texas almost as fast as plants can be built.

"President John Kennedy once said, and I quote, 'in vocational education, as elsewhere, nothing short of the best

will meet the challenges of the 1960's.' "That statement is no less true for the 1970s.

"Let's look at a few facts. These are true case histories.

"Ramiro Moya is 25 years of age and lives with his wife and three children in Alamo, Texas. He dropped out of school in the 8th grade. He did field work and worked in a canning factory during the season to earn approximately \$3,000 a year.

"In November, 1967 Ramiro enrolled at James Connally Tech and was graduated as a welder in May, 1968. Today he is employed at H&B Iron Works in Weslaco, Texas at \$1.90 per hour plus overtime.

"His employer says 'I wish I had three more just like him.'

"J. D. Duncan, Jr. is a native of Hillsboro, Texas. He made the most of his opportunities by graduating from Peabody High School there and then attending Prairie View A&M College for a year before going into the Navy.

"Upon receiving an honorable discharge, he chose an advanced technical career and also enrolled at Connally Tech. He was on the dean's honor roll several times and in August of last year was graduated with a degree in electronic technology.

"He now holds a top position as an electronic technician with Lockheed Aircraft and is assigned to NASA in Houston.

"William H. Stork of Rockdale made it through high school. He chose an instrumentation technology program after knocking around as a sales clerk, auto mechanic and construction worker for two years.

"Now he is employed by Tenneco Chemical Company at a salary of \$655 per month plus overtime.

Filiberto Cavazos, age 34, is a married man with five children. He left school after the 7th grade. For 15 years he migrated to the State of Washington to work in the fields.

"He worked as a hoe hand and a ditch digger, earning approximately \$3,200 a year.

"From April, 1967, to December, 1968, Mr. Cavazos studied languages and building maintenance at Connally Tech. He is now self-employed and is a union carpenter earning \$3.50 per hour.

"We could continue with many more case histories. These men whom I have just named are my guests here in this chamber today as living, visible

proof of what vocational-technical training can do. I would like for them to stand at this time and be recognized.

"These people have assumed their rightful place in society as tax-paying, proud and honorable citizens. What they have done, others can do if we provide the opportunities.

"In the present fiscal year, 1969, vocational and technical education programs in junior colleges were allocated \$1.8 million in general revenue.

"I recommend general revenue appropriations totaling \$6 million in 1970 and \$7.3 million in 1971.

"By applying estimates of federal funds which will be available, the recommendation will permit vocational-technical education programs in junior colleges to grow from a total funding level of \$5.5 million in 1969 to \$11.4 million in 1970 and \$12.7 million in 1971.

"Contingency appropriations totaling \$3.8 million for the biennium for enrollment increases are included in the recommended appropriations.

"As we examine vocational-technical education programs in public schools we find that the Foundation School Program provides only for allocation of funds for vocational-technical teachers in the fields of agriculture, home economics, trades and industries and distributive education.

"There are no funds currently allotted for vocational counselors and supervisors under the Foundation Program, and no funds are provided for operating expenses.

"I recommend that the Foundation School Program be amended to include more program areas. Legislation already has been introduced to implement this recommendation.

"In addition to funds for vocational teachers, I recommend funds be allocated for vocational counselors, supervisors and operating expenses.

"Net cost of this recommendation for the next biennium is \$10 million.

"In summary, my recommendations for support of vocational and technical education would provide nearly FOUR times the amount of general revenue available to junior colleges compared to the 1969 level of funding.

"The total increases in state funds for all vocational education programs as hereby recommended would approximately be \$25 million for the biennium.

"If the Legislature will follow my recommendations funds will be available at all levels of education for vocational-technical training and there will be no reason why we cannot move ahead.

TEACHER PAY RAISES AND PUBLIC EDUCATION

"Hoping to improve the quality of public education, I recommend across-the-board salary increases for teachers which, by September, 1970, will amount to \$1,266 for teachers with a B.A. degree and \$1,580 for teachers with a M.A. degree.

"This would bring us more nearly in line with the national average.

"The total cost in state funds of this two-year salary package is estimated at \$220 million, including the increased cost of state contributions to the teacher retirement system.

"In addition, I recommend state appropriations be made available beginning in 1971 to support a sick leave program for teachers.

"This basic fringe benefit is now provided to a limited extent by local districts, but the plans are not uniform, and accumulated leave is not transferable from one district to another.

"There is no question but that justice demands that we do what needs to be done on teacher salaries, but the time may be at hand when the general Texas population has grown weary of every legislative session facing demands for pay raises without other evidence of attempts to improve public education.

"A recent poll reveals that 61 per cent of teachers rate 'work-load' as the most important issue of their profession. Ninety-seven per cent work more than 40 hours per week.

"I am recommending state expenditures of \$12 million for development of a teacher aide program during the next biennium. These aides can perform non-professional duties giving teachers more time for preparing, planning and teaching.

"Teachers then should be in a position to produce more effective results.

Allocation of funds for teacher aides would start in fiscal 1971. The estimated cost of the program is based on providing one aide per 500 students in average daily attendance.

"We must find a more equitable basis for returning each local school dis-

trict's share of the Foundation School Program. That aspect of the Connally Committee on Public School Education was buried by the avalanche of black headlines on consolidation.

"With this in mind, I recommend that you replace the federal documentary stamp tax with a state tax, not so much as a revenue measure but as a device for finding true market value on property.

"The process of fact-finding and calculating the fair share for the local districts has been estimated to cost about \$400,000 each biennium.

"That approximate cost could be derived from the documentary stamp tax.

"This would not tamper with local setting of assessments and tax rates.

"Legislation should also be enacted to restore the right of parents to transfer children for improved educational opportunity with only the consent of the receiving school district needed.

"This right has been eroded because the sending district wants to preserve its state aid based on average daily attendance, but education of the child is more important.

"If we place effective education of our children at first priority, I think the time may have come to at least re-examine the notion that a school year has only nine months. We may be in lock-step with the past.

"Year-round operation of our school system does not mean every child would be continuously in school. It does not mean teachers would get no vacations.

"It is conceivable that children could attend, and teachers could teach, three out of four quarters on a rotating basis. Pupils could move at their own pace with this flexibility.

"Social critics have used the term 'long hot summer' to describe the season when there often is student unrest. 'Long idle summer' might be more accurate.

"Hospitals operate year-round. So do libraries. So do stores and businesses. Our nine-months school system is a hangover from another time and circumstance when crop seasons dictated learning lessons. It tends to give school teaching the flavor of a part-time job. Year-round operations would increase teaching income and professional prestige.

"In order to widen the opportunity of the State Board of Education to

test various approaches to a longer school year, I recommend a special appropriation of \$5 million for Foundation Fund support of such testing.

"The addition of an eight-week summer program would be optional on the part of school districts. We can find out on a pilot basis whether it's useful.

"The same concern for effective education causes me to ask you to approve an appropriation of \$500,000 to activities designed for measuring the results of public school education.

"Each of us knows that what is taught and what is learned are not necessarily the same things. If we are to find the means for increasing efficiency in education, we need to know a great deal more about our actual 'output' from public schools . . . and we need to know about results.

SPECIAL EDUCATION

"The need for greater emphasis on special education programs for handicapped children has waited too long for increased support. I am recommending an increase of state funds totaling \$16 million for the biennium to expand professional resources in special education, provide for preschool programs, increase allotments to local school districts and in general provide for more comprehensive educational services to handicapped children.

MEDICAL AND DENTAL EDUCATION

"The need for increased medical and dental education is critical in Texas. Today there is one medical doctor for every 997 Texans. This compares with a national ratio of one doctor for every 660 persons. Similar statistics exist in the field of dentistry.

"Therefore, I recommend the appropriation of \$8.3 million during the next biennium for a new medical school at the Texas Medical Center in Houston.

"I recommend the appropriation of \$8.3 million for a new medical school to serve West Texas under the administrative control of and located at Texas Technological College in Lubbock which could be developed in partnership with medical centers in Amarillo, Midland-Odessa and Lubbock.

"I recommend the appropriation of

\$7.3 million for a new dental school in San Antonio in conjunction with the new medical school. These new medical schools should be established within the guidelines prepared by the Coordinating Board.

"In addition, I recommend the Legislature provide \$600,000 for the biennium and authorization for the Coordinating Board to offer cooperative contractual arrangements with Baylor College of Medicine in Houston and Baylor College of Dentistry in Dallas for training physicians and dentists.

PUBLIC JUNIOR COLLEGES

"During the current (1968-69) biennium head-count enrollment in the 40 public junior colleges increased approximately 39 per cent to 86,913 students. Nine new junior colleges received state aid for the first time during this biennium.

"Therefore, I recommend an increase of \$12 million for public junior colleges. This would provide funds for: (1) increased enrollments; (2) opening two new campuses of Dallas County Junior College, and (3) a contingency appropriation of \$2.7 million in 1970 and \$5.4 million in 1971 for enrollment increases during the next biennium.

DEPARTMENT OF PUBLIC WELFARE

"You will recall my earlier recommendations that the Legislature re-submit to the people the constitutional amendment to remove the \$60 million limitation on categorical assistance payments under welfare.

"Beginning July 1, 1969 the matching ratio by which federal funds are made available for medical assistance payments will drop from \$4 for \$1 to \$2 for \$1.

"The LBB recommended an increase of \$40.8 million for the biennium just to maintain the present level of services as a result of the decrease in federal funds.

"I recommend an additional \$11.7 million over the LBB recommendations because it is inevitable that case loads and medical costs will continue to climb.

"This brings the total increase in state funds over the 1969 level of funds for medical assistance to \$52 million for the biennium. An additional increase of approximately \$1

million is recommended for increased cost of administration.

EDUCATIONAL TELEVISION

"The past two Legislatures, by providing authorization and initial funding, have recognized the vital role closed circuit television can have in effectively and economically meeting many of the educational needs of Texas.

"It also is of vital concern to continuing education and to adult education as well as to business and industry.

"Therefore, I recommend that this Legislature appropriate \$3 million to the Coordinating Board to be allocated for the initial phases of developing regional educational closed circuit television systems.

STATE EMPLOYEES

"Two years ago we made substantial adjustments in salaries which resulted in a better position in recruiting and retaining valued state employees.

"It is essential that we now take steps to maintain the state's posture in a labor market constantly changing because of inflation, tax increases, wage settlements and other factors.

"Therefore, I recommend continuing funding the merit salary increases for classified state employees as provided in the LBB bill. In addition, I recommend that classified employees be given a 3.4 per cent across-the-board salary increase effective Sept. 1, 1969.

"The cost would be \$6.5 million from general revenue and \$11.5 million from other funds.

"The 60th Legislature authorized the state to pay all or a portion of certain group insurance premiums covering state employees but established no guidelines.

"A uniform and equitable plan should be implemented at the earliest possible time, and I recommend that you set aside \$5 million for the biennium to fund such a plan.

MENTAL HEALTH AND MENTAL RETARDATION CONSTRUCTION

"I recommend approximately \$17 million for the 1970-71 biennium for the construction program for the Department of Mental Health and Mental Retardation.

"This amount, along with appropri-

ations provided by the 60th Legislature, will provide state funds for the four-year period of 1968-71 totaling \$35 million—nearly twice as much as was appropriated in the 10-year period prior to 1968.

"My recommendations would permit demolition of certain obsolete and hazardous buildings and the construction of new ward buildings for approximately 700 mental patients.

"Funds also are provided for modernization and air conditioning of existing buildings. In schools for mentally retarded recommendations would provide for the construction of ward buildings to accommodate an additional 1,000 students.

DEPARTMENT OF PUBLIC SAFETY

"I am proposing an increase of \$8.6 million from special funds, not the general revenue fund, for the Department of Public Safety.

"Substantial progress has taken place in recent years in strengthening law enforcement capability of the DPS. That progress must continue.

"I am recommending that we provide the DPS with 75 additional highway patrolmen in fiscal 1970 and another 75 in fiscal 1971.

"Also I am recommending a two-step salary increase for enforcement personnel plus additional funds to improve the department's communications and computer services.

"There also is included in the total \$3.6 million for construction projects.

"In an effort to halt the alarming increase in the availability of narcotics I have included in the funds recommended enough to provide the DPS with 10 additional narcotics agents in 1970 and 15 more in fiscal 1971.

"I now turn to another aspect of the narcotics problem.

COORDINATION OF TEEN-AGE ALCOHOL AND NARCOTICS PROGRAMS

"There is always a temptation for many adults to demagogue and perhaps become morally smug when talking about teenagers and their problems—especially in the areas of alcohol and narcotics.

"Let us, instead, look at some hard, cold facts which are highly alarming and then seek some possible solutions.

"That the problem exists is irrefutable. Last year in Dallas juvenile

arrests for drug use jumped from 2 per cent to 14 per cent.

"In Houston, between 1966 and 1968, juvenile narcotics arrests jumped from 32 to 347. Ninety per cent of narcotics addicts in Texas are from seven cities: San Antonio, Houston, Austin, Fort Worth, El Paso, Dallas and Laredo.

"Teenagers must be guided to realize that they are flirting with a record that will follow them all their lives—indeed, with a problem that can ruin their lives.

"Programs now existing under the Health Department, the Department of Public Safety, the Liquor Control Board, the Commission on Alcoholism and the Texas Education Agency are aimed at some particular aspect of the problem.

"As chairman of the Criminal Justice Council, I intend to focus as much attention as possible on coordination and expansion of those programs.

"We need to reach all of our youth, but if only one young person can be made to stop and consider the dangers the program will be worthwhile.

PUBLIC SENIOR COLLEGES AND UNIVERSITIES

"The number of students is continually increasing in our public colleges and universities. More than 212,000 students are now attending the 22 senior colleges and universities, an increase of 7.5 per cent over last year.

"I am endorsing the LBB recommendation of \$468.5 million for the next biennium which is an increase of \$64.4 million over the current biennium. More than one-half (\$35.1 million) of this increase is for additional faculty salaries.

"We must continue the progress higher education has made in this state during the past six years, and, at the same time, devote energies and attention to other specific areas of need in the total educational concept.

"We also must keep in mind the recommendations of the Coordinating Board for expansion of facilities and other factors. Numerous bills already have been introduced for new colleges. If, and when, any of those bills are enacted into law I then will make additional recommendations as to the planning and construction of physical facilities.

"I urge our college and university presidents and their boards to be aware all governmental costs are ris-

ing and seek to be helpful where they can. I hope they will strive for quality and not just quantity in higher education.

COMMUNITY AIRPORTS

"I propose a tax of five cents per gallon upon aviation fuel used in private aircraft in Texas to continue financing our community airports. I am informed Congress may very possibly enact a 10 cent per gallon federal tax on aviation gasoline. If such a bill is passed, it should contain a provision allowing the states to levy a user's tax up to 50 per cent of the federal tax. The states should be credited with this amount against the total federal tax.

"This would allow us to continue our community airports program.

TEXAS WATER PROGRAM

"Texans are acutely aware of our impending water problems and plans. The Legislative Budget Board responded commendably to requests for funds in this sector, and my recommendations represent only slight increases over those figures.

"I recommend an additional \$1.8 million for the Water Development Board to help them meet the critical time schedule which has been imposed. Delay or inaction by the state would be a disaster, and we must move quickly.

"I also recommend an additional \$200,000 for the Water Rights Commission for staff and operating expenses.

GOVERNOR'S OFFICE

"In the one month in which I have served as your Chief Executive I have discovered an almost unbelievable inheritance of recently enacted federal programs which must be funded on a matching basis.

"An additional \$2.2 million for the biennium to operate the governor's office is being recommended.

"The office of Governor of Texas has become a funding point of intergovernmental programs and a focal point for federal-state relations and state-local relations.

"Many of the funds recommended in the Governor's Office Budget for the next biennium relate directly to programs resulting from the state's previous decision to participate in law enforcement, comprehensive health

planning, highway safety and many other areas involving state matching funds.

"A coastal resources study is under way. There is a massive study taking place right now on the entire Texas economy picture. There are state matching grants for regional planning commissions and councils of government.

"It needs to be made perfectly clear at this point that the local governments, through these programs, will actually share in these finances and the moneys mentioned above certainly do not just stop in the governor's office.

"New personnel is needed as well as re-arrangement of existing staff to handle these complex yet hopefully productive programs.

"I assure you that expenditures within my office over which I have direct control will be kept within the bounds of necessity.

BUDGET EXECUTION

"One of the recommendations of the Senate Interim Commission on Economy in Government was to place authority for budget execution in the Governor's Office.

"This proposal has been made in the past and has sometimes been interpreted as an effort on the Governor's part to increase his power over state agencies. This is far from my purpose in supporting the committee's recommendations.

"My experience in the Legislature has taught me it is exceedingly difficult to write an appropriations bill in such a way as to spell out every restriction, every procedure, every objective without severely limiting the latitude for managerial decisions and the flexibility that is vital to governmental effectiveness and economy in operation.

"For these reasons, I ask that you consider legislation which would authorize the Governor's approval, on a selective basis, of plans for expenditure of appropriated funds.

OTHER ITEMS

—I recommend an additional \$300,000 for the Parks and Wildlife Department for new personnel and equipment.

—I recommend \$300,000 for a building to provide centralization of stores, reproductive services and mail and

messenger service for the Board of Control and located in the Capitol Complex.

"Under the existing system all agencies in the Capitol Complex acquire all office materials, paper and other consumable supplies on an individual basis.

"An intra-complex mail and messenger service through the central stores would save more than one half-million dollars per year. Total savings could run as high as \$1 million yearly for a combination of these operations.

—I recommend a biennial increase of \$400,000 for continuation of the two Institutes of Urban Studies in the Houston and the Dallas-Fort Worth areas. New faculty and operating expenses are necessary if these studies are to begin to pay off in results.

REVENUE RAISING PROPOSAL

"And now, to paraphrase Lewis Carroll, '... the time has come to talk of 'other things,' these other things being my suggestions as to where we can raise the additional revenue I have proposed be spent.

"The following are biennial figures.

—I recommend increasing the tax on cigarettes from 11 cents to 14 cents per package which would raise an estimated \$45 million.

—I recommend increasing the tax on tobacco products to the 1959 ratio which would yield an estimated \$6 million.

—I recommend including personal services such as laundry, dry cleaning and dyeing plants, repairs, parking and cable televisions services under the general sales tax at the current 3 per cent rate.

"This would yield an estimated \$48.8 million.

—I recommend amending the optional features of the selective sales tax to provide that equipment for lease or rental be taxable at the time of purchase at 3 per cent, and also taxable at 3 per cent on each lease rental with or without drivers.

"This would yield an estimated \$9 million.

—I recommend imposing a \$10 penalty on each conviction on moving traffic violations which would be dedicated to the general revenue fund.

"This would yield an estimated \$38.5 million.

—I recommend placing all alcoholic beverages under the general sales tax.

This would yield an estimated \$40 million.

—I recommend increasing certain fees in the Secretary of State's office.

"This would yield an estimated \$2.6 million.

—I recommend enactment of the bill already before you commonly called the 'Cavness Plan' which revises the policy on royalty income from state-owned lands. If enacted, that plan would permit a part of the royalty income to be deposited in the Available School Fund and used for improvement of public education.

"This would yield approximately \$71.6 million.

"All of the above figures, along with the unappropriated balance of the general revenue estimate, totals \$320 million.

"The suggested total outlay is \$318 million.

"We could spend the remainder of this day and many more discussing the pros and cons of what I have just suggested.

"Opposition will surface before I leave this chamber. Indeed, there already has been some even before these recommendations were made public.

"But it is now time for the legislative processes, in which I have an ultimate faith, to take over. I want to leave you with these few final thoughts.

"Let's look at taxes from this perspective. Our state government once depended heavily on natural resources taxes, especially on oil and gas.

"World developments worsened Texas' competitive position. We were placed in a strain throughout the 1950s. In 1961 Texas finally resorted to a 'growth tax,' commonly known as the sales tax.

"Food and drugs were exempted to keep the tax from unduly burdening low-income groups.

"Let us strive to keep those exemptions.

"With increased revenues from the sales tax we had to play catch-up and we still are playing catch-up. At the same time, we have shared the selective sales tax with hard-pressed cities. We are in the process of withdrawing from the property tax field.

"By 1967 only about 8.3 per cent of all personal income in Texas went for state and local government taxes. That placed Texas 47th among all states in demands upon citizens' pocket-

etbooks to pay for governmental services.

"Our long-sought goal, I believe, lies in the short-term future. That goal is to meet rising costs of governmental services from growth in our economy without future increases in tax rates.

"To achieve that goal requires putting the spurs to our economy. It means generating new industries and businesses. It means raising the average personal income of our citizens.

"We must use our natural resources as 'feed-stock' for new industries and technologies, such as the expanding petro-chemical industry. It boils down to building markets here at home for our natural resources, rather than overly depending upon the uncertainty of world conditions.

"That is the choice . . . and the opportunity . . . that lies before you now.

"Money alone will not solve our problems. The greater need is to equip our administrators in the executive branch of our government with modern management skills to get more effective results from the resources you authorize.

"I am grateful for the dedication, experience and abilities of most of our administrators. It is a pleasure to work with them, and they deserve your encouragement, and my help, in finding ways to get better results from each dollar spent—in getting more 'output from the input,' if you will.

"Meeting that management need requires setting goals where none exist, and clarifying others. Administrators need help in setting performance standards and ways of measuring results.

"In short, we need to do a better job of programming, of manpower utilization, of systems analysis and of determining cost effectiveness.

"In a conversation recently, President Norman Hackerman of The University of Texas at Austin assured me of cooperation from the university and its faculty resources in plan-

ning and conducting a series of management seminars for state agency administrators and their staffs.

"Such training will begin not later than this fall.

"Some time ago I instructed my staff to explore the feasibility of assembling a 'Citizens Committee on Cost Effectiveness' to examine the Executive Branch of our state government from the viewpoint of increasing productivity and efficiency.

"Our need is not so much for new programs as it is for better outcomes from the programs we now have.

"Our need is not so much for reorganization as it is for more effective uses of the organization we have.

"I am not interested in window-dressing. Like you, I am interested in results.

* * *

"It has been truthfully said that government—unlike business—cannot measure its results in dollars—only in costs.

"Who can place a dollar value on a Texas boy or girl educated? A convict rehabilitated? A doctor trained? A drug user dissuaded? A riot prevented?

"For that matter—how much for a glass of pure water?—when there isn't any.

"It would be false economy to deny the people of Texas what they have a right to expect from their state government, simply because the cost runs high.

"It would be even more reprehensible to take their money and waste it.

This is our task: To tax and spend responsibly.

"If we live up to our responsibilities, I am sure the people will meet theirs.

There is an inherent greatness in the people of Texas. They have always been willing to meet their responsibilities. This spirit still lives.

"It falls to you and me to provide effective leadership in this year 1969—a year of challenges and choices."

SUMMARY OF GOVERNOR'S RECOMMENDED BUDGET

PART I

Increased Appropriations Over Legislative Budget Board Recommendations

Biennial
Increase

General Revenue and Related Funds:

1. Vocational/Technical Education

—Junior College Programs \$ 7.2

	Biennial Increase
—Public School Programs	10.0
Subtotal, Vocational/Technical Education	\$ 17.2
2. Improvements in Public School Education	
—Teacher Pay Increases, including retirement	\$ 220.0
—Teacher Aides	12.0
—State Support for Summer School Programs	5.0
—Special Education	16.0
—Sick Leave for Teachers	3.3
—Evaluation of Educational Results5
Subtotal, Improvements in Public School Education	256.8
3. Expanded Programs in Medical Education	
—New Medical School at Lubbock	\$ 8.8
—Contracts with Baylor Medical and Dental Schools6
4. Regional Educational Television Networks	3.0
5. Public Junior Colleges	2.7
6. Group Hospitalization Program for State Employees	5.0
7. One-step (3.4%) Salary Increase for Classified State Employees	6.5
8. Governor's Office Budget	2.2
9. Institutes of Urban Studies	
—University of Texas at Arlington2
—University of Houston2
10. Department of Public Welfare	
—Additional Increase in Medical Assistance Program	11.7
—Increase in Administration Costs	1.0
11. Implement Texas Water Plan	
—Water Development Board	1.8
—Water Rights Commission2
12. Parks and Wildlife Department3
13. Central Services Building under State Board of Control3
Total General Revenue and Related Fund Increases Over LBB	<u>\$ 318.0</u>
Special Fund Increases:	
14. Department of Public Safety	\$ 8.6
15. Local-State Financing of Public Schools (Documentary Stamp Tax)4

PART II

Method of Financing Recommended Increases

Comptroller's Forecast (1-1-69) of General Revenue	
Available for Appropriation	\$1,204.2
Less: a) LBB Recommended Appropriations	\$1,104.0
b) LBB Allocation for Medical Assistance	40.8
c) Supplemental Appropriations Bill9
	<u>1,145.7</u>
Balance Available	\$ 58.5
Proposed New Tax Revenues:	
1. Increase Tax on Cigarettes to 14¢ a pack	\$ 45.0
2. Increase Tax on Tobacco Products to 1959 ratio	6.0
3. Include Personal Services Under Sales Tax	48.8
(Laundry, cleaning and dyeing plants, repairs, parking, and cable television service)	
4. Include All Alcoholic Beverages Under Sales Tax	40.0
5. Include Equipment Rental Under Sales Tax	9.0
Subtotal, New Tax Revenue	<u>\$ 148.8</u>
6. Impose \$10 penalty on each Traffic Violation and dedicate to General Revenue Fund	38.5

7. Revise Policy on Income to Available School Fund	71.6
8. Increase Fees to Secretary of State	2.6

Total General Revenue Available to
Finance Recommended Increases \$ 320.00

At the conclusion of the address by Governor Smith, the Speaker of the House presented the Members of the Governor's Party including Mrs. Ima Smith, the wife of Governor Preston Smith, Mr. and Mrs. Conrad Schmid, the daughter of Governor Smith and Mr. Mickey Smith and wife Shirley, the son of Governor Smith.

Adjournment

The President announced that the purpose of the Joint Session having been concluded, declared the Senate at 11:53 o'clock a.m. adjourned until 11:00 o'clock a.m. on Monday, February 24, 1969, in accordance with a motion previously adopted in the Senate.

Welcome and Congratulatory Resolutions

S. R. No. 181—By Senator Blanchard: Extending congratulations and appreciation to E. Y. Lee Chapter, Order of De Molay.

S. R. No. 182—By Senator Patman: Extending welcome and privileges of the floor for the day to Ray Greene, President, Texas Future Teachers Association.

APPENDIX

SENT TO GOVERNOR

February 20, 1969

S. B. No. 67

S. C. R. No. 16

TWENTY-THIRD DAY

(Monday, February 24, 1969)

The Senate met at 11:00 o'clock a.m., pursuant to adjournment, and was called to order by the President Pro Tempore.

The roll was called and the following Senators were present:

Aikin	Hightower
Bates	Jordan
Bernal	Kennard
Berry	Mauzy
Bridges	McKool
Brooks	Moore
Cole	Patman
Connally	Ratliff
Creighton	Schwartz
Hall	Snelson
Harrington	Strong
Harris	Watson
Hazlewood	Word
Herring	

Absent—Excused

Blanchard	Grover
Christie	Wilson

A quorum was announced present.

Reverend W. H. Townsend, Chaplain, offered the invocation.

On motion of Senator Aikin, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, February 20, 1969 was dispensed with and the Journal was approved.

Leaves of Absence

Senator Grover was granted leave of absence for today on account of important business on motion of Senator Hightower.

Senator Wilson was granted leave of absence for today on account of important business on motion of Senator Herring.

Senator Blanchard was granted leave of absence for today on account of important business on motion of Senator Strong.

Senator Christie was granted leave of absence for today on account of important business on motion of Senator Strong.

Message From the House

Hall of the House of Representatives
Austin, Texas,
February 24, 1969.

Hon. Ben Barnes, President of the Senate.